

Title 3 REVENUE and FINANCE

Chapter 3.1 TREASURER'S DISBURSEMENT WARRANTS

3.1.1 Title.

In accordance with 30-A M.R.S. §5603 (2)(A), the Town Council hereby ordains the following ordinance as codified in this chapter to authorize the Town Council to establish a written policy governing the procedures for the town treasurer's disbursement of warrant expenses.

3.1.2 Coverage.

This chapter covers and applies to the following warrants:

- A. General warrants for municipal expenses;
- B. General warrants for educational expenses;
- C. Warrants for municipal employees wages and benefits;
- D. Warrants for school department employees wages and benefits.

3.1.3 Written Policy.

The Town Council must adopt a written policy governing the treasurer's disbursement warrants covered by Section 3.1.2. This written policy is to include the requirement that all such warrants drawn for the disbursal of municipal funds require the signature of one or more municipal officers designated by the Town Council.

3.1.4 Filing Requirements.

All written policies adopted by the Town Council under Section 3.1.3 must be filed with the town Clerk and Treasurer and renewed annually by vote of the municipal officers in November, following the municipal election.

Chapter 3.2 PURCHASING SYSTEM

3.2.1 Procedures.

The Town Manager is designated to act as purchasing agent (PA) for all departments of the town, except the school department, and for selling unused, worn out, surplus or obsolete equipment and materials.

Whenever it is deemed necessary or desirable that supplies, materials, equipment or contractual services be purchased or secured, requests are to be submitted to the purchasing agent specifying the nature of the purchase desired, the quantity required, and the performance requirements to be met. Upon receipt of any such a request, the purchasing agent shall inquire of potential suppliers as to the cost of such purchase in the form of informal offers to supply the items required.

If the probable cost thereof, as shown by informal offers, will be twenty-five thousand dollars (\$25,000.00) or more, the PA shall undertake formal bidding as hereinafter provided. If the probable cost will be less than twenty-five thousand dollars (\$25,000.00), the PA may award to the supplier offering the lowest responsible bid among the informal bidders; provided, however, that if the cost will be ten thousand dollars (\$10,000.00) or more, at least three informal bids, or a statement why three bids are not available, must be secured in writing.

3.2.2 Formal Bidding.

Whenever formal bidding is necessary by reason of the probable amount involved, the purchasing agent is to prepare or cause to be prepared specifications for the article or services required and advertise the requirements of the town at least once in a newspaper of general circulation in the town, inviting the tender of bids in writing for providing such requirements. Said bids must be publicly opened and read by the purchasing agent at a time and place specified in the public notice. An investigation as to the responsibility of the bidders is to be made if the purchasing agent deems it necessary.

The Town Manager is to report the bid results to the council.

3.2.3 Vendor Selection.

Vendors will be selected on a competitive basis. Bids, quotations, and proposals will be solicited by newspaper advertising, direct mail requests to prospective suppliers, and by telephone. Purchasing orders and contracts will be awarded to the lowest responsible vendor. All bids, etc., may be rejected if it is in the public interest to do so. In determining "lowest responsible vendor," in addition to price, the following will be considered:

- A. Ability, capacity and skill of the vendor to perform the contract or provide the material or service required;
- B. Whether the vendor can perform the contract or provide the material or service promptly, or within the time specified, without delay or interference;
- C. The character, integrity, reputation, judgment, experience and efficiency of the vendor;
- D. The quality of performance of previous contracts, orders or services;
- E. The previous and existing compliance by the vendor with laws and ordinances relating to the contract, order or service;
- F. The sufficiency of the financial resources and ability of the vendor to perform the contract, or fill the order, or provide the service;
- G. The quality, availability, and adaptability of the supplies or contractual service to the particular use required;

H. The ability of the vendor to provide future maintenance and service for the use of the subject of the contract; and

I. The number and scope of conditions attached to the bid.

3.2.4 Invitation for Bids (IFBs) and Request for Quotations (RFQs).

A. Purchases of less than ten thousand dollars (\$10,000.00) will be made in the open market without necessary IFB or RFQ procedures. Every effort will be made, however, to obtain the lowest and best price.

B. Purchases and supplies and services between ten thousand dollars (\$10,000.00) and twenty-five thousand dollars (\$25,000.00) will require a request for quotation. RFQs are similar to IFBs except that legal advertising is not required and detailed specifications may not be appropriate. At least two written responses from RFQs, to be submitted to the purchasing agent, or a statement of why two are not available, will be required.

C. Except as otherwise provided in this section, when the estimated cost of a procurement exceeds twenty-five thousand dollars (\$25,000.00), an invitation for bids will be published in a newspaper in general circulation within the community at least seven days before the bid opening. The IFB will include a general description of the items to be purchased, the bid deposit and performance bond required, and is to state where bid proposal forms and specifications may be secured, and the time and place for opening bids. The purchasing agent may also solicit bids from responsible prospective suppliers by sending them a copy of such notice.

3.2.5 Negotiation.

The IFB method of advertising, and to a lesser extent the RFQ method, involves the inflexible process of sealed bids, public opening, and award to the lowest responsible bidder. On the other hand, after receipt of quotations, negotiation usually involves the process of bargaining with suppliers, providing the “best deal” to the town. Like procurement by formal advertising, town procurement by negotiation requires the observation of impartiality toward all offers. While negotiation procedures are more flexible than advertised procedures, such flexibility demands a greater degree of care to insure that all competitive offers are treated equally.

3.2.6 Limited Purchase Allowance (LPA).

It is recognized that the purposes of a formalized purchasing procedure could be subverted by lost opportunity and time if required on incidental purchases. Therefore, the purchasing agent expressly delegates a limited purchase allowance to the following persons and grants a per-purchase allowance as indicated:

	Purchase Allowance
Department Heads	\$5,000.00
Assessor	
Code Enforcement Officer	
Commissioner of Public Works	
Fire Chief	
Police Chief	
Recreation Director	
Superintendent of Sewer Services	
Town Clerk	
Town Manager	
Town Planner	

This allowance is intended to speed the purchase of incidental items and does not relieve the department head of encumbrance accountability.

3.2.7 Alternative Procurement Method—Authorization by Town Council Required.

- A. These procurement procedures must be followed at all times unless prior approval is obtained from the Town Council.
- B. When in the judgment of the Town Council it is in the best interest of the town to do so, it may authorize an alternative procurement method

3.2.8 Execution of Contracts.

Unless otherwise specifically stated by a resolution or ordinance of council, all purchasing contracts made by or on behalf of the town must be executed by the purchasing agent.

3.2.9 Exceptions.

In the event of disaster or other emergency, if purchases of supplies, materials, equipment, or contractual services must be made immediately without an opportunity for the procedures herein or council approval, the Town Manager is authorized to make necessary purchases to protect the public health and safety, and without complying with the procedures outlined in this chapter. In the event of such emergency purchases, the Town Manager shall report the details of the purchase to council as soon as possible thereafter.

3.2.10 Disposal of Property.

- A. All municipally owned property, real or personal, must be disposed of either by:
 - 1. Trade-in on purchase of new equipment. Any item that is offered as a trade-in must also be offered for sale by competitive bid. The higher amount of the two (trade-in allowance or bid) must be accepted;
 - 2. Sealed bids;

3. Auction.
4. Unless otherwise requested by the Town Manager and so directed by the council, monies received pursuant to 2 and 3, above, must be credited to the vehicle or equipment reserve fund revenue account designated as the current vehicle or equipment fund used by the department for which it was purchased.

B. This chapter does not apply to disposal of:

1. Items commonly termed refuse, waste or trash;
2. Recycled material emanating from the solid waste facility;
3. Compost or sludge materials developed by treatment of sewage;
4. Interdepartmental transfers approved by the Town Manager;
5. Property whose estimated value is less than one hundred dollars (\$100.00).

C. The above procedure must be followed at all times unless prior approval is obtained from the Town Council.

Chapter 3.3 APPLICANT SERVICE ACCOUNTS (ASA)

3.3.1 Accounts Authorized.

Applicants requesting appeals, approvals, licenses, or permits, which involve service(s) as listed below, are required to establish an ASA with the Town Treasurer to be used by the Town to pay other direct costs necessary to complete the application process, not including application fees as shown in Appendix A. Collected funds will be remitted to the Town Treasurer for accounting and control.

3.3.2 Service Costs Included.

Service costs covered by the ASA are as follows, but may include other items required by the Town Council, Planning Board, or Board of Appeals, needed to make a decision on an application.

Services
Third Party Engineer Plan Review
Third Party Commercial Inspections
Requested Legal Reviews / Opinions
Required Mailings – not paid by applicants
Advertisements of Public Notices / Hearing
Additional time above and beyond normal working assistance by the Planning Department with an applicant. (20 hours threshold before invoicing occurs).
Board Recorder Time to type specific Findings of Facts and Appeal Decision Letters
Additional Mapping requested by regulatory Board to staff

3.3.3 Disbursement Amount Collected.

The Department processing an application will calculate the amount to be collected from the applicant by estimating anticipated service costs based on empirical or vendor data and provide an itemized quote to the applicant. If an applicant disagrees with the quoted calculations, the Town Manager will be decision authority in determining the required amount.

3.3.3 Disbursement of Funds.

The actual cost of vendors providing a service for the application will be paid by the Town from the ASA funds collected. Copies of invoices or receipts will be provided to the applicant with payment notation. Should funds be held from one calendar year to the next, a year end statement of transactions and funds remaining will be provided to the applicant. All Applicant Service Account payables must be paid in full before the Applicant is granted an appeal or approval, a license or permit.

3.3.4 Additional Funds.

Additional funds required for the account to cover services above the initial deposit amount will be requested of the applicant by electronic or written communication by the Town. The applicant is required to make payment within 10 business days of the request. If additional payment(s) are not received, the applicant will be given notice that the application process is suspended until funds are received.

3.3.5 Reconciliation of Funds.

At the conclusion of Town proceedings, any excess ASA funds remaining must to be returned to the applicant with a final transaction record.

Chapter 3.4 MUNICIPAL DEVELOPMENT and TAX INCREMENT FINANCING DISTRICT(S)

3.4.1 District Designations and Adoption.

Municipal Development and Tax Increment Financing Districts are hereby designated to be known as District #1 (Mixed Use); District #2 (Route 1 Shopping Corridor); and, District #3 (Business Park) and herewith is adopted the Development Program for such District(s); such designations and adoptions to be pursuant to the following findings, terms, and provisions.

3.4.2 Findings and Determinations.

The Town Council hereby finds and determines that:

- a. At least twenty-five percent (25%), by area, of the real property within the District(s) as herein designated, meets at least one of the following statutory criteria (1) must be a blighted area; (2) must be in need of rehabilitation, redevelopment or conservation work; or (3) must be suitable for commercial uses; and
- b. The total area of the individual District(s) does not exceed two percent (2%) of the total acreage of the Town, and the total area of all three District(s) within the Town does not exceed five percent (5%) of the total acreage of the Town; and
- c. The original assessed value of all existing and proposed tax increment financing District(s) does not exceed five percent (5%) of the total value of equalized taxable property within the Town as of March 31, 2010; and,
- d. The designation of the District(s) and pursuit of the Development Program will make a contribution to the economic growth and well-being of the Town and the surrounding region, and will contribute to the betterment of the health, welfare, and safety of the inhabitants of the Town, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

3.4.3 Retention of Captured Assessed Value.

Pursuant to the provisions of Title 30-A MRS §5227, the percentage of increased assessed value to be retained as captured assessed value in accordance with the Development Program is hereby established as set forth in the Development Program.

3.4.5 Submission Authority.

The Town Manager is hereby authorized, empowered and directed to submit the proposed designation of the District(s) and the proposed Development Program for the District(s) to the State of Maine Department of Economic and Community Development for review and approval pursuant to the requirements of Title 30-A MRS §5226.

3.4.6 Full Force and Effect.

The foregoing designation of the District(s) and the adoption of the Development Program for the District(s) automatically becomes final and takes full force and effect upon receipt by the Town of

approval of the designation of the District(s) and adoption of the Development Program by the State of Maine Department of Economic and Community Development, without requirement of further action by the Town, the Town Council, or any other party.

3.4.7 Development Program Revisions.

The Town Manager is hereby authorized and empowered, as may be necessary from time to time, to make such revisions to the Development Program for the District(s) as the Town Council deems reasonably necessary or convenient in order to facilitate the process for review and approval of the District by the State of Maine Department of Economic and Community Development, or for any other reason, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Development Program.

3.4.8 Credit Enhancement Agreements (CEA).

Credit Enhancement Agreement(s) that may be entered into by the Town and one or more Developers, description of the terms and conditions of any such agreement(s), contract(s) and obligation(s) to be entered into by the Town is set forth in the Maine DECD model agreement as part of the application to the State. Any such agreement is to be in the form approved by the Town Council, with any changes thereto, as determined appropriate by the Town Council after Public Hearing.

Any Credit Enhancement Agreement is to set forth the obligations of the Town to return to the applicable Developer each year during the term of any such Agreement the applicable Tax Increment (Developer's Share) as described in the model agreement.

Any obligation of the Town to make such payments are to be a limited obligation payable solely from that portion of the Tax Increment constituting the Tax Increment (Developer's Share) actually paid by the applicable Developer as property tax, and do not constitute a general debt or obligation on the part of the Town or a general obligation or charge against or pledge of the faith and credit or taxing power of the Town.

3.4.9 No Use without Development.

With establishment of the District(s) and implementation of the Development Program, no tax revenues generated for the Development Program may be used for municipal improvements, or other reason, until and unless private development within the District(s) is approved, warranting the need for such improvements.